SGLI and TSGLI Overview

'Keys to Success'

SGLI/TSGLI
Keys To Success

PURPOSE

SGLI: Service Members' Group Life Insurance is term life insurance available to members of the uniformed services. SGLI is paid out when a service member dies.

TSGLI: Traumatic Injury Protection under Service Members' Group Life Insurance program provides coverage to any Service member insured under SGLI who sustains a serious traumatic injury that results in certain prescribed losses.

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Eligibility for Coverage

Full-Time Coverage: Reservists assigned to a unit and scheduled to perform at least 12 periods of inactive duty that is creditable for retirement purposes, full-time coverage is in effect 365 days of the year*. You are also covered for 120 days following separation or release from duty.

Part-Time Coverage: Reservists who do not qualify for the full-time coverage described above. Part-time coverage generally applies to Reservists who drill only a few days in a year. Member is insured while in route to/from and during active or inactive duty training.

SGLI Total Disability Extension: If you are totally disabled at the time of separation from active duty, your full-time coverage will be extended for as long as the total disability continues, up to a maximum of two years, at no cost.

* **Note:** Members transferring to a Volunteer Training Unit (VTU) status may continue SGLI coverage but are responsible for making quarterly or annual payments to DFAS. The NOSC CO will notify a member via NAVPERS 1070/613 that payment procedures are changed due to transfer from pay status to non-pay status.

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SGLI

- Members on active duty, active duty for training or inactive duty for training and members of the Ready Reserve or National Guard are *automatically covered* for $400,000, the maximum amount of coverage.

- Members can elect to be insured for less than the maximum amount, or elect to decline coverage entirely. Coverage is available in $50,000 increments.

- You may designate any person, firm, corporation or legal entity to receive benefits. Complete Form SGLV 8286 to identify beneficiaries and terms of payment.

- If you do not name a beneficiary, the insurance proceeds will be paid first to the surviving spouse, then to any children, then to the parents and finally to a duly appointed executor or administrator of the estate.

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TSGLI

- TSGLI is designed to help service members with the financial burdens associated with recovering from a severe injury. Every service member signed up for SGLI is automatically enrolled in TSGLI.

- TSGLI provides between $25,000 and $100,000 of coverage depending on the loss incurred.

- Effective 01 OCT 2011, TSGLI coverage became retroactive for service members with qualified injuries between 07 OCT 2001 – 30 NOV 2005. Even those injured in car accidents or other civilian traumatic events that occurred when the eligible member was not drilling, the member is eligible for a TSGLI payment if they had a qualifying loss resulting from their injury.

- Payment is not made because of a traumatic event, but rather because of a qualifying loss associated with the event. For a complete listing of qualified losses go to: http://insurance.va.gov/sgliSite/TSGLI/TSGLI.htm

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TSGLI *(cont)*

Will not be paid if a scheduled loss is due to a traumatic injury caused by:

- An intentionally self-inflicted injury or an attempt to inflict such injury.
- Medical or surgical treatment of an illness or disease.
- Willful use of an illegal or controlled substance.
- Sustained while a member was attempting to commit a felony.

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Converting SGLI To VGLI

- VGLI is a program of post-separation insurance which allows Service members to convert their SGLI coverage to renewable term insurance. Members with full-time SGLI coverage are eligible for VGLI upon release from service.

- You must apply within one year and 120 days from discharge. However, Service members who submit their application within 120 days of discharge do not need to submit evidence of good health. Service members who apply after the 120-day period must submit evidence of good health.

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Accelerated Benefits Option for Terminally Ill

- The Accelerated Benefit Option gives terminally-ill SGLI, Family SGLI and VGLI policyholders as well as TSGLI claimants access to the death benefits of their policies before they die. The member may receive a portion of the face value of the insurance in a lump sum payment.

- A member is eligible to receive an Accelerated Benefit if he/she or a covered spouse has a valid written prognosis from a physician of 9 months or less to live.

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Forms

- **SGLV 8286:** Service Members' Group Life Insurance Election and Certificate.
- **SGLV 8283:** Claim for Death Benefits
- **SGLV 8284:** Accelerated Benefits Option
- **SGLV 8600**: Application for TSGLI Benefits
- **SGLV 8715:** Application for SGLI Disability Extension
- **NAVPERS 1070/613**
- **To access forms go to:** **http://www.insurance.va.gov/sgliSite/forms/forms.htm#SGLI**

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Other

- All beneficiaries of SGLI or TSGLI proceeds are eligible to receive Beneficiary Financial Counseling Services provided through an independent professional services firm for two years following payment.

- SGLI and TSGLI payment s are tax exempt.

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PROGRAM GUIDANCE

BUPERSINST 1001.39F

http://www.insurance.va.gov/sgliSite/handbook/handbook20110629.pdf

http://www.insurance.va.gov/sglisite/sgli/sgli.htm